

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Proposed Talking Points to White House Fellows - 6 Jan 1988

FROM:

William M. Baker *WMB*
Director, Public Affairs

EXTENSION

NO.

PAO 87-0195

DATE

4 Jan 88

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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January 4, 1988

Judge:

You will be addressing the White House Fellows on January 6, 1988, at a 12:00 luncheon. Although you have addressed the White House Fellows on five other occasions, this will be the first time that you have addressed them as Director of Central Intelligence. They will be interested in your view of leadership and management in general, and in the effect your leadership is having at the Central Intelligence Agency. They will also be interested in your views of the White House Fellows program--including how Fellows should be used in organizations, and whether the experience benefits both the individual and the government. The talking points prepared for you reflect these themes.

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Bill Baker

PROPOSED TALKING POINTS
WHITE HOUSE FELLOWS
6 JANUARY 1988

INTRODUCTION

THIS IS THE SIXTH TIME I HAVE HAD THE PLEASURE OF ADDRESSING THE WHITE HOUSE FELLOWS. SOME THINGS NEVER CHANGE. I HAVE ALWAYS ENJOYED TALKING TO THIS GROUP--AND I HAVE BEEN IMPRESSED THAT THE TALENT AND THE DIVERSITY OF THE FELLOWS HAS NOT CHANGED. UNFORTUNATELY, NEITHER HAS THE LUNCH.

I WANT TO TALK TO YOU ABOUT THE THINGS I HAVE FOUND TO BE TRUE FROM MY EXPERIENCE IN THE PRIVATE SECTOR AND IN GOVERNMENT.

THE SUCCESS OF ANY ORGANIZATION DEPENDS ON STRONG LEADERSHIP.

- ABILITY TO ATTRACT AND KEEP TOP PEOPLE.
- ABILITY TO MOTIVATE PEOPLE.
- NEED TO HAVE SHARED GOALS THAT ARE CLEARLY DEFINED.
- NEED TO RECOGNIZE AND DEFEND THE PROFESSIONALISM OF THE ORGANIZATION.

SUCCESS DEPENDS ON BUILDING A STRONG INTERNAL MANAGEMENT SYSTEM.

- SUCH A SYSTEM SHOULD NOT BE IMPOSED ON AN ORGANIZATION FROM THE OUTSIDE BUT SHOULD BE AN INTEGRAL PART OF IT.
- SYSTEM SHOULD PROTECT THOSE WHO WORK FOR THE ORGANIZATION BY PROVIDING A CLEAR SENSE OF WHAT IS EXPECTED AND WHAT IS UNACCEPTABLE. PREMISE: MUST ALWAYS OPERATE LAWFULLY.

- SYSTEM SHOULD RECOGNIZE AND REWARD TOP TALENT.
- SYSTEM SHOULD ENCOURAGE PEOPLE TO SPEND SOME TIME WORKING OUTSIDE THEIR AREA OF EXPERTISE.

LEADERSHIP OF ANY ORGANIZATION MUST BUILD PUBLIC TRUST.

- THE ORGANIZATION BENEFITS WHEN IT ENJOYS PUBLIC TRUST.
- THE ORGANIZATION CANNOT BE AS EFFECTIVE WHEN ITS INTEGRITY IS QUESTIONED. MORALE OF THOSE WHO WORK FOR THE ORGANIZATION IS AFFECTED.

IT IS ESSENTIAL THAT AN ORGANIZATION UNDERSTAND AND SUPPORT ITS PROCESS OF INTERNAL MANAGEMENT AND THAT THE ORGANIZATION RECOGNIZE THAT IT MUST WORK TO BUILD, RATHER THAN ASSUME PUBLIC SUPPORT.

IN THE CIA, I HAVE TAKEN A NUMBER OF STEPS TO STRENGTHEN THE INTERNAL MANAGEMENT PROCESS, TO DEFEND THE PROFESSIONALISM OF THE ORGANIZATION, AND TO BUILD PUBLIC TRUST.¹

- STRENGTHENED SENIOR MANAGEMENT REVIEW OF COVERT ACTIVITIES.
- IMPROVED FUNCTION AND EFFECTIVENESS OF THE INSPECTOR GENERAL'S OFFICE.

- ISSUED GUIDELINES TO ENSURE THAT OUR INTELLIGENCE ASSESSMENTS REMAIN OBJECTIVE. AND DEFENDED RESULTS OF THOSE ESTIMATES (EXAMPLE: REACTION OF THE POLICY COMMUNITY AND OUR RESPONSE TO THE JUNE 1987 INTELLIGENCE ASSESSMENT ON IRAN AND THE SUPERPOWERS IN THE GULF)
- WORKED TO BUILD PUBLIC TRUST. HAVE WORKED CLOSELY WITH CONGRESS -- MEET MONTHLY WITH LEADERSHIP OF THE SENATE SELECT COMMITTEE ON INTELLIGENCE AND THE HOUSE PERMANENT SELECT COMMITTEE ON INTELLIGENCE.
- HAVE EMPHASIZED CIA'S ROLE AS AGENCY RESPONSIBLE FOR INTELLIGENCE COLLECTION AND ANALYSIS, NOT MEMBER OF POLICYMAKING COMMUNITY. DID NOT WANT POSITION AS DIRECTOR OF CENTRAL INTELLIGENCE TO BE A CABINET POSITION. IMPORTANT THAT PUBLIC UNDERSTAND CIA'S ROLE.

THE WHITE HOUSE FELLOWS WHO WORKED WITH ME AT THE FBI WOULD TELL YOU THAT MY EMPHASIS ON STRONG INTERNAL MANAGEMENT AND BUILDING PUBLIC TRUST IS CONSISTENT WITH THE WAY I RAN THE BUREAU.

AND THE FELLOWS WHO WORKED AS SPECIAL ASSISTANTS AT THE BUREAU MADE A SIGNIFICANT CONTRIBUTION. THEY SERVED AS MEMBERS OF THE EXECUTIVE CONFERENCE, ATTENDED EXECUTIVE MEETINGS, AND WORKED ON SPECIAL PROJECTS. ONE WORKED DESIGNING THE HOSTAGE CRISIS CENTER AT

THE FBI. ANOTHER WORKED IN CONGRESSIONAL AND PUBLIC AFFAIRS. ANOTHER IN PERSONNEL AND RECRUITING.²

AND THEY HAVE RETURNED TO THEIR OWN ORGANIZATIONS TO SERVE IN RESPONSIBLE POSITIONS. STEVE HARTY IS NOW VICE PRESIDENT ACCOUNT SUPERVISOR OF OGILVY AND MATHER INC.. IN NEW YORK; MARY SPAETH IS THE EXECUTIVE VICE PRESIDENT AND PRINCIPAL FOR FAIRCHILD/LE MASTER IN DALLAS; PRISCILLA DOUGLAS IS THE DIRECTOR OF PLACEMENT AND COLLEGE RELATIONS FOR GENERAL MOTORS IN DETROIT; AND MAJOR MIKE RYAN IS A BATTALION COMMANDER AT FT. HOOD, TEXAS.³

WE IN GOVERNMENT HAVE BENEFITTED FROM THE TALENT OF THE WHITE HOUSE FELLOWS. I AM A GREAT SUPPORTER OF THE PROGRAM. I'LL BE HAPPY TO ANSWER ANY QUESTIONS YOU HAVE FOR ME.

FOOTNOTES

¹ This information was drawn from Judge Webster's 17 December 1987 press statement regarding the Iran-contra matter.

² [redacted] of your staff and Georgia Adams of the FBI supplied information about these White House Fellows who served under you at the FBI as "assistants to the Director."

- Stephen Harty developed a Writing Skills Program while at the FBI.

- Priscilla Douglas worked on minority recruitment.

- Mary Spaeth worked on the New Agent Education and Recruitment Practices Program and the Agent Testing Program. She also monitored the Agent Identification System under Public Licensing Proposal Public Law 921-544, worked with John Hotis on training matters, and improved the quality of written communication at the Bureau.

- Major Mike Ryan worked on the Economic Crime Proposal and also helped develop the Hostage Crisis Center. He also worked on the Bureau's computer programs under Assistant Director William Bayse.

³ The information on where former White House Fellows who served with the FBI are currently employed was supplied by the staff of the White House Fellows.

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|-------------------|--|
| Stephen Harty | Vice President Account Supervisor Ogilvy and Mather Inc., New York |
| Priscilla Douglas | Director of Placement and College Relations, General Motors, Detroit, Michigan |
| Mary Spaeth | Executive Vice President and Principal Fairchild/Le Master, Dallas, Texas |
| Major Mike Ryan | U.S. Army Battalion Commander Fort Hood, Texas |

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17 December 1987

PRESS STATEMENT OF WILLIAM H. WEBSTER REGARDING
THE IRAN-CONTRA MATTER

CIA Director William H. Webster announced today that he has completed his study of a report prepared by a Special Counsel appointed by him to review the role of the Agency and Agency personnel in the Iran-Contra matter. Director Webster has disciplined those employees found to have engaged in improper activities. Those actions included dismissals, demotions, and letters of reprimand.

Webster has also initiated actions aimed at strengthening the organizational structure of the Agency. These actions are described in a section of the Report dealing with remedial measures taken by the Agency since the Iran-Contra matter became public.

In particular, the Report describes steps taken by Director Webster to strengthen the function and effectiveness of the CIA's Office of the Inspector General (IG). These measures include steps to ensure that the IG's inspection staff is drawn from a cross-section of people within the Agency. Furthermore, assignment to the IG Staff will become an important career development assignment enroute to more senior positions in the Agency. The size of the IG's investigative staff will be increased, and the training and support provided to that staff will be improved.

Guidelines have been drafted to govern the testimony of future Agency witnesses when appearing before congressional committees, briefing individual

congressional members or their staff, or providing written testimony to Congress. The guidelines balance the protection of sources and methods with the need to be candid and complete in all Agency dealings with Congress.

Director Webster also has initiated actions to strengthen senior management review of covert activities. The covert action review process will be institutionalized in Agency headquarters regulations. The Agency's senior management must meet to review all proposed Findings and related documents that are to be forwarded to the National Security Council. Senior management also conducts a semi-annual review of each covert action program.

Other actions taken by Director Webster include the issuance of guidelines for interagency intelligence production intended to foster an environment for the maximum objectivity of intelligence assessments and to help insulate intelligence analysis from political influence.

The Special Counsel commenced his review September 1, 1987. In compiling the Report, the Special Counsel reviewed the findings of the Tower Commission, the Senate Select Committee on Intelligence, the Congressional Iran-Contra Committees, and relevant reports of the CIA Inspector General. The Special Counsel did not have access to any materials or information developed during the course of the investigation being conducted by Independent Counsel Lawrence Walsh.

The Report of the Special Counsel, which is classified, has been furnished in its entirety to the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence. A summary of the Report's conclusions regarding facts and information already made public by the Tower Commission and the Iran-Contra Committees is attached.